

PWBA and IRS To Begin New Enforcement Effort Directed at Form 5500 Non-Filers

In an effort to further increase compliance with the Form 5500-series filing requirements for retirement plans, the Pension and Welfare Benefits Administration (PWBA) and Internal Revenue Service (IRS) recently announced a joint project to identify and contact potential non-filers. [Link to Press Release.](#)

Under this project, the agencies will take advantage of the various databases at their disposal to determine if plan administrators are properly fulfilling their filing requirements. Beginning in December 2002, the IRS will mail letters of inquiry to those identified as potential non-filers. These letters of inquiry will allow recipients the opportunity to respond before one or both of the agencies follow-up with additional notices (including proposed penalties).

The main goals of this effort are having all filers understand their filing responsibilities and taking the necessary action to meet those obligations. Requirements for filing Form 5500-series material are explained within the *Instructions for Form 5500*. Visit the Internet at www.dol.gov/pwba or www.irs.gov/ep for a copy of the instructions.

In addition, delinquent filers are reminded of the availability of a program to assist plan administrators in filing delinquent reports. The PWBA's Delinquent Filer Voluntary Compliance (DFVC) Program has been updated to substantially reduce the penalties associated with the late filing of Form 5500 reports and further encourage delinquent filers to participate in the program. As an added incentive, the IRS has stated in [Notice 2002-23](#) that it will not assess penalties on delinquent filers who satisfy the requirements of the DFVC Program. Plan administrators, however, should be warned that notification by the PWBA, concerning a delinquent filing (beyond the IRS letter of inquiry), eliminates them from participation in the DFVC Program.

Additional information concerning this project is available from the PWBA at (202) 693-8360 or the IRS at 1-877-829-5500. Information about the DFVC Program is available from the PWBA on its Website at www.dol.gov/pwba or by calling the PWBA number mentioned above.